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Evers presents framework to reform school funding

MADISON — “Wisconsin’s school funding system is broken. Our best way to repair it is to create a fair and sustainable means to pay for public schools,” said State Superintendent Tony Evers during a school funding reform press conference held today in Madison.

Evers outlined his “Fair Funding for Our Future” framework to start debate on school finance reform before he introduces his 2011-13 education budget, which is due in September. The framework is founded on four principles: a funding system that is 1) fair, 2) sustainable, 3) transparent, and 4) accountable for results.

“Currently, our public schools are struggling to make ends meet. Across our state, school boards are cutting budgets, closing schools, laying off teachers, raising class sizes, and eliminating educational programs. This is too much turmoil for our children. Our funding system is broken, and we must start the process now to fix it,” Evers stated.

The framework calls for a minimum level of state aid for every student regardless of where they live. It proposes using student poverty, not just property values, as a factor in a portion of state aid. The framework also calls for predictable growth in state support for schools and expanded sparsity aid and transportation funding to support rural schools, which represent a significant share of Wisconsin’s student population.

“Education leaders at all levels must provide adequate, predictable investments in our children’s education, even in the most difficult financial times,” Evers said. “Our students must attend schools that have the resources to provide a comprehensive education so they can graduate ready for the workforce or further education.”

To bring transparency and accountability to Wisconsin’s school funding system, Evers wants to allocate the School Levy Tax Credit, valued at \$900 million, to general school aids. This will not result in a net increase in property taxes. It will provide a significant boost in direct school aid, with a portion used to fund a new poverty factor in the school aid formula. Evers also wants to review the state’s more than 40 categorical aid programs to ensure they encourage innovation, increase student achievement, turn around struggling schools, and improve graduation outcomes as well as provide accountability for results. “If our categorical aid programs aren’t providing

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every child the opportunity to graduate and be successful, I will propose their elimination or consolidation so we can increase funding for programs that work and support new initiatives that improve academic outcomes,” Evers said. Finally, the framework protects students and taxpayers by ensuring that no school district faces drastic reductions in state school aid from one year to the next.

Wisconsin’s audited public school funding from all sources was \$10.72 billion for the 2008-09 school year. That funding comes from a mix of state aid, federal aid, local property taxes, and some non-tax local revenue. Over the past 20 years, state support for local school costs has been calculated as low as 46 percent to as high as 66.7 percent. Since 1996, a significant portion of state school support has been directed to the School Levy Tax Credit. This money goes to municipalities to reduce local property tax bills. Popular with both political parties, the School Levy Tax Credit has grown by more than 400 percent since it began. While this money has been called state school aid, none of it actually goes to schools or pays to teach a single child.

“Very few people in Wisconsin, and perhaps only those who work directly with the various school aid formulas, understand how we pay for our public schools,” Evers said. “Calling ‘credits’ school aid and creating 40-plus funds for specific programs makes school finance extremely complicated and erodes public support for our schools. I want to change this. Taxpayers should be able to understand how and what they are paying for with their tax dollars,” he said.

“I want the citizens of Wisconsin to have a fresh look at school funding and to ensure that candidates for elected office address school finance in real and substantial terms in their campaigns this fall,” Evers said. “We need to build a brighter future for our kids by reforming our school funding system so it is fair, includes predictable investments for our children, is more easily understood, and is accountable for results.”

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NOTE: Additional information about the state superintendent’s school finance reform framework is available on the “Fair Funding for Our Future” website at <http://dpi.wi.gov/sprntdnt/fairfunding.html>. This news release is available electronically at http://dpi.wi.gov/eis/pdf/dpinr2010_83.pdf.